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RUEHLU/AMEMBASSY LUANDA 0927
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TAGS: [SENV](#) [EFIN](#) [EPET](#) [PGOV](#) [GB](#)
SUBJECT: CHINESE OIL EXPLORATION THREATENS GABON'S FLAGSHIP
NATIONAL PARK

REF: A. LIBREVILLE 495

[1](#)B. LIBREVILLE 382

Classified By: CDA Katherine Dhanani. Reason: 1.4 (d).

[1](#)1. (C) Summary: Chinese oil company Sinopec's petroleum exploration in Gabon's flagship Loango National Park fails to meet minimal standards for environmental protection. Sinopec's impunity is just one example of recent GoG failure to live up to natural resource commitments; Gabon risks losing GEF and World Bank projects because it has failed to fulfill conditions. Sinopec is most likely operating with the approval of President Bongo, whose recent decisions show him to be a fan of China. Just four years after Bongo attracted widespread favorable attention when he created the Gabonese national park system, he may have concluded that traditional exploitation will better serve Gabon than protection of the environment and development of ecotourism. End summary.

[1](#)2. (SBU) Loango National Park includes the section of Gabonese coastline where Wildlife Conservation Society (WCS) biologist Mike Fay concluded his 1250-mile "Megatransect" walk through the forest of central Africa in December 2000. It is also the site of famous National Geographic photos showing surfing hippos and elephants on the beach. According to WCS and WWF staff, efforts to protect the Park's biodiversity and develop tourism are threatened by the exploration activities of the Chinese oil company Sinopec. At the time of Chinese President Hu Jintao's State Visits to Gabon in February 2004, the GoG granted Sinopec exploration rights for a block that includes most of the Loango National Park. Sinopec has built roads in the park and begun a program that will include detonation of 16,000 seismic explosions along almost 500 miles of seismic transects. WWF reports that a recent seismic underwater explosion almost capsized a boat carrying a group of tourists on the Park's Iguela Lagoon. NGO staff in the park report some 400-450 Sinopec employees are based at two camps, one just outside and one inside the Park's boundaries. They also report observing illegal hunting, fishing and dumping of solid waste in Loango by Sinopec employees. Although these violations have been demonstrated to GoG officials, no action has been taken to suspend Sinopec's activities.

[1](#)3. (SBU) Gabon's national park system is only four years old. A definitive law regulating the parks is currently before the Gabonese Senate; its enactment is anticipated in the next few months. Under current law, no economic activities (with the exception of tourism) are permitted within park boundaries. The new law allows for mining and oil

exploration if an economic impact assessment is approved; regulations dictate the content of an EIA and the process it should follow. WWF experts consider the EIA drafted for Sinopec by a Gabonese consulting firm sorely inadequate, but note that Sinopec is not even executing the minimal mitigation measures recommended in the (unapproved) Assessment, such as limiting the width of seismic transects and cutting no trees with diameters above 5 centimeters.

¶4. (C) The situation in Loango is only one example of recent GoG failure to live up to natural resource commitments. The donor community recently sent a joint letter to the Minister of Forestry, Waters and Fishing explaining that donor initiatives, including a Global Environmental Facility (GEF) grant and a World Bank budget support credit, are at risk. Among the problems identified, in addition to Sinopec's exploration in Loango, are:

- Failure to withdraw logging permits from concession holders who don't pay required fees;
- Plans to create a new Forestry Fund outside the normal budgetary context;
- Lack of transparency and inefficiencies in the dissolution of the monopoly wood marketing parastatal; and
- Failure to communicate with the donor community concerning new legislation and regulations governing forestry and fishing.

¶5. (C) Comment: Sinopec's immunity from normal regulatory controls strongly suggests that the company is operating with the approval of President Bongo. Bongo's current affection for China reflects his disappointment that traditional international donors have not done more for Gabon (Ref A). Bongo also appears to be unhappy with the environmental community, perhaps because he was oversold on the promise of economic development through eco-tourism when he set aside

ten percent of Gabon to create the national park system in 2002. Those who care about Gabon's natural heritage fear that Sinopec's disdain for environmental protection in Loango is just a preview of what can be expected when infrastructure is put in place for the development of iron deposits at Belinga by another Chinese firm (Ref B).

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